

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1024 - HB 737

February 28, 2013

SUMMARY OF BILL: Removes the requirement that private act hospital authorities must apply with the State Board of Equalization for claims for tax exemptions of property residing within the boundaries of its creating or participating governing authorities or entities.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue – \$300/State Board of Equalization

Assumptions:

- Under current law, private act hospital authorities are required to apply with the State Board of Equalization for claims for tax exemptions of property, regardless of whether such property resides within or outside the boundaries of their creating or participating governing authorities or entities.
- Pursuant to Tenn. Code Ann. § 67-5-212(b)(2), the Board is authorized to impose a fee for processing applications for exemptions not to exceed \$120. According to the Board's website, the fees range from \$30 to \$120, based on the value of property at issue.
- The average application fee is estimated to be \$60.
- Based on information provided by the Comptroller's Office, the average number of annual applications that will be exempted under this bill is estimated to be five.
- The recurring decrease in revenue to the Board is estimated to be \$300 (\$60 x 5).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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